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MINIMUM WAGE BOOST NO TICKET TO CAREER GROWTH, ENZI SAYS; CONGRESS MUST HELP DEVELOP JOBS SKILLS

Washington, D.C. - U.S. Senator Mike Enzi (R-WY), Chairman of the Senate Health, Education, Labor and Pensions Committee (HELP Committee) today said a federal mandate to raise the minimum wage, as provided in the Kennedy Amendment to S.256, is no ticket to career advancement for chronic low wage workers, adding that the Senate should be focused on helping workers "develop and improve job skills."

"This proposal to raise the minimum wage 41 percent is fundamentally flawed," Enzi said Monday. "The problem is not the minimum wage: The problem is minimum skills. Regardless of the size of any wage increase Congress might impose, the reality is that today's lowest paid worker will continue to be tomorrow's lowest paid worker if he or she doesn't develop and improve the job skills that will lead to career advancement."

"Employers simply can't absorb a 41 percent increase in their costs without decreasing the number of jobs or benefits they provide workers," he added. "As a result, unskilled and low-skilled workers will suffer by being among the first to be let go and the last to be hired."

Noting that only 68 percent of the students who entered the ninth grade four years ago are expected to graduate from high school this year, and a national drop-out rate of 11 percent, Enzi said he is deeply troubled by the proposal's focus on an arbitrary wage increase at the expense of skills development and training.

"These non-completion and drop out rates – and the poor earnings capacity that comes with them – cannot be fixed by federal wage policy," Enzi said. "The answer for these workers, however, is not to simply raise the lowest rung on the wage ladder. Rather, these individuals must acquire the training and skills that result in meaningful and lasting wage growth. I think it is clear that to support the changing needs of the economy, Congress must ensure that a system is in place that can support a lifetime of education, training and retraining for our workers."

It is estimated that 60 percent of tomorrow's jobs will require skills that only 20 percent of today's workers possess. Moreover, graduating students will likely change careers some 14 times in their lives.

"As a former small business owner, I know that these entry-level jobs are a gateway into the workforce for people without skills or experience. These minimum skills jobs can open the door to better jobs and better lives for low-skilled workers if we give them the tools they will need to succeed," Enzi added. As Chairman of the HELP Committee, Enzi has set goals to develop legislation during the 109th Congress that will help better equip workers with the skills they will need to compete in a technology-driven, global economy.